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PACIFIC MARINE ENERGY CENTER

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SOUTH ENERGY TEST SITE

5

PROJECT NUMBER P-14616

6

SCOPING MEETING

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TRANSCRIPT OF PROCEEDINGS

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DATE: July 9, 2014

17

TIME: 1:00 - 2:05 p.m.

18

LOCATION: Hatfield Marine Science Center  
2121 SE Marine Science Drive  
Guin Library - Seminar Room  
Newport, Oregon 97365

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REPORTED BY:

ANNE M. DUFFEY

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1           NEWPORT, OREGON, WEDNESDAY, JULY 9, 2014, 1:00 P.M.

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3                   MR. HASTREITER:   So welcome, everybody.   For  
4 those who don't know me, my name is Jim Hastreiter.   Thanks  
5 for joining us today for the scoping meeting for the Pacific  
6 Marine Energy Center South Energy Test Site or P MEC-SETS.  
7 It's FERC Number 14616.

8                   I'm with the Federal Energy Regulatory  
9 Commission.   My office is located in Portland.   Our  
10 headquarters office is in D.C., of course.   I'm a fishery  
11 biologist, and I'm also the Coordinator for licensing of the  
12 P MEC-SETS Project.

13                   Also conducting the scoping meeting with me  
14 today is Oregon State University or NNMREC which I'll let  
15 Dan explain that and their consultants, Pacific Energy  
16 Ventures.   I'd also like to point out we have a court  
17 reporter with us today, Anne Duffey, and she'll be making a  
18 transcript of the meeting, and I think she has the spelling  
19 of most people's names, but when you first -- if you have  
20 something to say, if you could say your name and spell your  
21 name for her, that would help her immensely.

22                   So I just want to quickly go over, even though  
23 many of you are familiar with FERC and FERC licensing  
24 process, of what we do just in case there's a couple folks  
25 that don't know, but FERC regulates non-federal hydropower

1 projects and that includes marine and hydrokinetic projects  
2 as well.

3                   The Federal Power Act requires projects to have  
4 licenses to operate. A license consists of articles and  
5 conditions that direct how a licensee can construct and  
6 operate a project. These conditions usually are used to  
7 protect, mitigate, and enhance environmental resources that  
8 could be affected by the project. These resources can be  
9 fisheries, marine mammals, recreation, cultural resources,  
10 and other issues as well which we'll get into during the  
11 meeting. So that's essentially a general overview of FERC  
12 hydro licensing.

13                   I'd next like to introduce Dan. Dan's with  
14 Oregon State University and the National Marine --

15                   MR. HELLIN: Northwest National --

16                   MR. HASTREITER: Northwest -- go ahead.

17                   MR. HELLIN: I'm Dan Hellin. I'm with the  
18 Northwest National Marine Renewable Energy Center at Oregon  
19 State University. I'm the Environmental Compliance Manager,  
20 and I'm sitting in for Belinda Batten who unfortunately --  
21 who's the Director who's unfortunately ill and couldn't make  
22 it today. With me, also, is Justin Klure from Pacific  
23 Energy Ventures. Justin's basically the Project Manager for  
24 the regulatory side of all of this.

25                   Just a very brief background: NNMREC is a

1 center at the Oregon State University and University of  
2 Washington, and the Oregon State University team are the  
3 ones who are developing the Pacific Marine Energy Center  
4 South Energy Test Site. So that's how NNMREC fits in. I'm  
5 just going to briefly start off with a few slides and then  
6 pass over to Justin for the bulk of the presentation.

7           Firstly, the agenda. I'm trying to look over  
8 my shoulder. Introduction is done. We're then going to  
9 talk about the Alternative Licensing Process, the proposed  
10 action itself, the scoping of issues. Then we'll have  
11 comments and discussion, and we'll end up with some  
12 administrative items.

13           MR. HASTREITER: So I think because we have  
14 such a small group, my preference would be let's go around  
15 and everybody can introduce themselves and say who you're  
16 with.

17           MS. HATFIELD: My name is Kim Hatfield and I am  
18 a biologist working with the National Marine Fisheries  
19 Service West Coast region out of the Portland, Oregon,  
20 office.

21           MS. KELLY: Delia Kelly. I am the Ocean Energy  
22 Coordinator for Oregon Department of Fish & Wildlife out of  
23 Newport, Oregon.

24           MR. HOMOLKA: Ken Homolka, H-o-m-o-l-k-a, the  
25 Oregon Department of Fish & Wildlife in Salem. I'm the

1 Hydropower Program Leader.

2 MR. KLARIN: Paul Klarin, K-l-a-r-i-n. I am  
3 the Marine Program Coordinator for the Department of Land  
4 Conservation & Development.

5 MR. SANDERS: My name is Greg Sanders,  
6 S-a-n-d-e-r-s, and I'm with the Bureau of Ocean Energy  
7 Management in the Pacific regional office.

8 MS. MOON: I'm Ruby Moon, M-o-o-n, and I work  
9 for Oregon Sea Grant. I am the Marine Renewable Energy  
10 Associate.

11 MR. KRUTZIKOWSKY: Greg Krutzikowsky. That's  
12 K-r-u-t-z-i-k-o-w-s-k-y and I work with Oregon Department of  
13 Fish & Wildlife on nearshore policy issues.

14 MR. KIRKENDALL: Keith Kirkendall, National  
15 Marine Fisheries Service. The name is K-i-r-k-e-n-d-a-l-l.  
16 I'm the Environmental Services Branch Chief for the West  
17 Coast region.

18 MR. STEIN: Tony Stein, the Ocean Shores  
19 Coordinator for Oregon State Parks. My last name,  
20 S-t-e-i-n.

21 MR. RUMRILL: Steve Rumrill, the Shellfish  
22 Program Leader for Oregon Department of Fish & Wildlife.  
23 R-u-m-r-i-l-l.

24 MS. MATTES: Lynn Mattes, M-a-t-t-e-s. I  
25 manage all of the marine recreational finfish fisheries

1     except for salmon for Oregon Fish & Wildlife so all the  
2     bottom fish and halibut.

3                   MS. HOFFORD:   Anna Hofford.  I am with Pacific  
4     Energy Ventures and we are Project Managers for the  
5     regulatory process with OSU.  My last name is H-o-f-f-o-r-d.

6                   MR. BROWNE:   Peter Browne with HDR.  We're  
7     supporting the regulatory aspects of the Project.  My last  
8     name is B-r-o-w-n-e.

9                   MR. McMURRAY:   Greg McMurray and I'm an  
10    Environmental Advisor to Oregon State University.

11                   MS. KRAMER:   I'm Sharon Kramer, K-r-a-m-e-r,  
12    with H.T. Harvey & Associates, and I'm on the team with HDR  
13    and PEV.

14                   MR. HUTCHINSON:  Matt Hutchinson,  
15    H-u-t-c-h-i-n-s-o-n.  I'm also with HDR.

16                   MR. HASTREITER:  Good enough.  All right.  
17    Thanks for doing that, everybody.  So again, most of you are  
18    familiar with FERC process but there's a few that aren't so  
19    I'm just going to quickly go through a description of FERC  
20    licensing process.

21                   So in a general FERC process there's two time  
22    periods.  There's the pre-filing and post-filing.  In  
23    pre-filing, the applicant develops the application -- the  
24    license application; and in post-filing, FERC acts on the  
25    application.

1                   And in this case, Oregon State  
2 University-NNMREC has selected the Alternative Licensing  
3 Process to license the P MEC-SETS Project. The basic tenet  
4 of the ALP process is collaboration. Through collaboration  
5 with interested stakeholders, the applicant tries to resolve  
6 major issues by -- and they do that early in pre-filing by  
7 forming some working groups of the stakeholders, developing  
8 a communications protocol and process plan, and preparing a  
9 Preliminary Application Document. And then they request to  
10 use the ALP from the Commission.

11                   The PAD is a collection of available  
12 information about the Project, both baseline environmental  
13 information and proposed designs of the Project. The  
14 communications protocol establishes the ground rules for how  
15 the stakeholders interact and how they're going to operate  
16 together while the license applications can be developed.  
17 And the process plan establishes the general schedule for  
18 meeting the different milestones that the applicant has to  
19 meet.

20                   Once FERC approves the ALP, the applicant  
21 produces a Scoping Document 1, and that document includes a  
22 preliminary list of environmental issues. They were mailed  
23 by PE -- by OSU to all the stakeholders. We have extra  
24 copies over here if anybody wants another one.

25                   Then we typically hold scoping meetings and

1 after scoping meetings, we address comments that are  
2 received that maybe we didn't address and that would be  
3 dealt with in a Scoping Document 2 which OSU then would  
4 issue to the mailing list and file with the Commission.

5           The next step is studies. And again, through  
6 collaboration, OSU would work closely with the stakeholders  
7 to identify studies that are necessary to inform the  
8 application. Typically, there are two years of study  
9 involved.

10           After the studies are complete, the applicant  
11 prepares their license application, and in this case,  
12 because it's an ALP, they will also prepare a draft  
13 environmental document. The applicant then files that  
14 application -- completed application with the Commission  
15 along with the draft environmental document, and at that  
16 point, the post-filing part of the process begins.

17           So at that point, it's in FERC's hands and the  
18 first thing we do is we notice that we've received the  
19 application. Our staff then -- we have five or six  
20 disciplines typically involved in reviewing the application,  
21 and we'll also review the draft environmental document that  
22 OSU will provide.

23           Once we find that the application is sufficient  
24 and that we have adequate information to move forward on our  
25 environmental document, we move forward with that document.

1 But our goal in this case, because it is an ALP and  
2 supposedly we have collaboratively produced application  
3 and draft environmental document, our document will be  
4 based on -- off of the draft that Oregon State provides.

5 In some cases, we have settlement agreements  
6 but in this case, there isn't going to be a settlement  
7 agreement, but typically, the ALP process can result in a  
8 similar sort of situation where there's total agreement on  
9 effects, mitigation, and a host of issues.

10 The next step then for the Commission is a  
11 licensing decision, whether to license the Project as  
12 proposed or some sort of an alternative. And so that's just  
13 a quick go-through and if there's any folks that aren't  
14 familiar with FERC and FERC process, just hit me up after  
15 the meeting and I'd be glad to explain any -- any more of  
16 the details of the process.

17 So at this point I think I'm going to turn it  
18 over to Dan.

19 MR. HELLIN: Back to me.

20 MR. HASTREITER: Okay.

21 MR. HELLIN: Thanks. So I'm just going to  
22 briefly go over the Proposed Action for the South Energy  
23 Test Site. What we're proposing is an integrated test  
24 center to test wave energy conversion devices and  
25 particularly to look at -- to evaluate the performance of

1 the devices, their survivability in the open ocean, and also  
2 the environmental interactions of the devices and mooring  
3 systems and so on.

4           The idea behind this is to facilitate the  
5 commercial -- commercialization of wave energy conversion  
6 devices to basically advance the Oregon and U.S. renewable  
7 energy goals. It's important to note, though, that our  
8 facility that we're proposing is only ever going to be a  
9 test facility. It's never going to be a commercial facility  
10 itself.

11           The site is going to be approximately six  
12 nautical miles -- oh, sorry -- six nautical miles offshore,  
13 and the site itself is going to be two square nautical  
14 miles. And we worked with a lot of the stakeholders in  
15 Newport and the surrounding areas and particularly with  
16 Fishermen Involved in Natural Energy, FINE, who came up with  
17 a six nautical mile area -- square nautical mile area off  
18 Newport that they felt would be the most suitable or most  
19 acceptable to them as the area for us to develop our site.

20           The Project itself will ultimately consist of  
21 four test berths, and those berths will have -- be able to  
22 test individual wave energy conversion devices, WECs, or  
23 small arrays of devices. The Project itself is going to --  
24 will never have more than 20 devices in place for the whole  
25 Project, and the maximum power output for all four of the

1 sites will be no more than 20 megawatts.

2           The power generated at the site will be  
3 transmitted back to shore using four subsea cables which  
4 will be buried and then run through conduit when they get  
5 closer to shore, and the life expectancy of the cables and  
6 the Project itself is approximately 25 years.

7           I just want to show you some -- these are very  
8 much illustrations -- a lot of you have seen them -- but  
9 sort of illustrations of the types of arrays that we might  
10 have or the types of setups we might have. Here you'll see  
11 there's -- we have four berths, one in each corner with a  
12 cable running to each berth, a subsea connector, and then  
13 an -- a device or a number of devices. In this illustration  
14 there are six devices. In this, I believe, there's ten  
15 devices; three small arrays and one single device. This  
16 third illustration is 15 devices. And the final one is a  
17 maximum buildout of 20 devices.

18           This map here shows -- the sort of reddish area  
19 is the six square nautical mile area that FINE defined as  
20 being most acceptable to that as the site that we could put  
21 our Project in. If you look to the bottom right-hand side,  
22 you'll see a two square nautical mile box so that's about  
23 the area that the Project would be -- it may not be square.  
24 It may be a rectangle and so on, but that's the area we're  
25 talking about. And the site is completely in the Outer

1 Continental Shelf. Obviously, cables would run through the  
2 territorial sea, but all the devices themselves would be on  
3 the Outer Continental Shelf.

4 I will now pass to Justin.

5 MR. KLURE: Great. Thank you, Dan. So what  
6 I'd like to do is just do a quick overview of the regulatory  
7 process and then take a little bit more of an in-depth look  
8 at the Scoping Document and the issues that we've developed  
9 as they relate to the Project.

10 So just kind of a status report on kind of the  
11 various regulatory regimes that we're operating on.  
12 Obviously, we're -- we're here under the FERC scoping  
13 meeting, but we also are required to get a lease from the  
14 Bureau of Ocean Energy Management.

15 So that lease request was submitted about a  
16 year ago and had a comment period associated with it earlier  
17 this year. And just recently it was determined by BOEM that  
18 they would utilize their non-competitive lease rules and  
19 apply those to the -- to the Project. So, essentially, you  
20 submit a lease request to BOEM and you end up in one of two  
21 camps; either competitive or non-competitive. Ours is the  
22 non-competitive which means that there was no competitive  
23 interests determined when we had submitted our lease  
24 application.

25 With the FERC process, as Jim mentioned, the

1 applicant's responsible for submitting an NOI PAD which is a  
2 Notice of Intent to file a license and a PAD is a  
3 Preliminary Application Document. To date that PAD is  
4 probably the most comprehensive document regarding the  
5 Project.

6           The Scoping Document that's been referenced and  
7 copies sitting behind me is a subset of the PAD and -- and  
8 goes into some detail but again, the PAD is probably a  
9 little bit more detailed as required by the regulations.  
10 We have received notice from FERC that they have accepted  
11 our NOI PAD and have approved the use of the Alternative  
12 Licensing Process that Jim mentioned earlier.

13           With regards to NEPA, I assume most folks are  
14 familiar with that. There are various NEPA requirements put  
15 on the applicant for this Project in addition to BOEM and  
16 FERC. It's likely we'll need to coordinate with the U.S.  
17 Corps of Engineers and potentially also the Department of  
18 Energy which is a federal entity that's currently funding  
19 the Project. And so our goal, obviously, is to do as much  
20 coordination and overlap as we can with the NEPA documents  
21 that they meet everybody's regulatory needs.

22           So we are in that NEPA process right now. You  
23 are attending our first scoping meeting. That's based on  
24 the Scoping Document that was sent out to stakeholders about  
25 a month ago. As Jim mentioned, we're required to

1 potentially revise that document based on input that we hear  
2 today as well as other comments that we receive.

3           And then moving forward, we will prepare an  
4 environmental assessment document. And again, the goal is  
5 to create a single EA that meets the needs of everybody's  
6 regulatory requirements, whether it be FERC or BOEM with the  
7 license release or any DSA consultation requirements by some  
8 of the other resource agencies. So those are kind of the  
9 highlights there with regards to our regulatory process.

10           Just a quick kind of schematic or timeline  
11 there, as you can see. The NOI PAD was submitted back in  
12 April. You can see there at about the middle of the 2014  
13 nomenclature there, we're in our scoping process which I'll  
14 talk a little bit in detail here in just a moment.

15           Our current schedule has us submitting a draft  
16 license application in first quarter of 2015, and then we  
17 have associated preliminary recommendations and conditions,  
18 study reports, and then our final license application is  
19 currently scheduled to be submitted at the end of 2015. So  
20 about a year and a half from now we hope to have a final  
21 license application submitted to FERC.

22           So if we zoom in a little bit on the -- kind of  
23 the spring, summer, fall months or in other words, the  
24 scoping schedule, you can see here, also noted is that  
25 request to use the ALP and the PAD. We're having our

1 scoping meetings today and later this evening. What  
2 initiates that scoping process is our filing of the Scoping  
3 Document 1, again, which is behind me here and does a  
4 general overview of the Project.

5           Tomorrow we will go out to one of the proposed  
6 site locations for the cable interconnect. There were three  
7 locations or paths identified in the PAD. We chose one to  
8 go look at and -- and kind of have a site visit which likely  
9 entails us looking out over the horizon as there isn't  
10 necessarily a specific project, obviously, in that -- in  
11 that location.

12           And then we receive comments and study requests  
13 both from the agencies through our collaborative Alternative  
14 Licensing Process and also general public has the  
15 opportunity to provide comments. We compile those comments  
16 and that results in the Scoping Document 2 which we're  
17 required then to file with FERC. That has our final list of  
18 issues to be analyzed in the EA, and also the final study  
19 plans with -- associated with baseline -- collection of  
20 baseline information.

21           So a little closer look. A bit of redundancy  
22 here but really what our -- the goal of the Scoping Document  
23 is to provide the preliminary list of issues and the list of  
24 our proposed studies which I'll talk about here in a few  
25 minutes, and it's really based on existing information or

1 knowledge about the Project and the existing environment.  
2 So you can -- you can view that as a Draft Scoping Document  
3 per se.

4                   We go through this comment period where the --  
5 we have our meetings and collect information, and then we go  
6 through a revised or a Scoping Document 2 of which we have  
7 our final list of resource issues to be analyzed and our  
8 final study plans.

9                   So the overall outline of the Scoping  
10 Document -- again, most of you are probably familiar with  
11 this and have at least taken a peek at the current  
12 document -- but there's an overall purpose and schedule  
13 associated with the Scoping Document. There's the proposed  
14 action and alternatives. Dan described at a high level the  
15 proposed action. As mentioned, there's more details in the  
16 Preliminary Application Document for those interested.

17                   We're required to discuss the scope of  
18 cumulative effects and the resource issues; the proposed  
19 list of studies, as I've mentioned; requests for additional  
20 information and studies; our kind of overview or outline of  
21 what the EA is going to look like and general preparation  
22 that we anticipate that would go into that document.

23                   The purpose of scoping really is to get input  
24 from agencies, tribes, NGOs, and the general public. Again,  
25 we kind of, as the applicant, make the first determination

1 of the Project and the existing environment and the like,  
2 and then we -- we look to the public and the agencies to  
3 provide us additional information. And the focus really is  
4 to identify general concerns, opportunities, and enhancement  
5 for -- and -- or mitigation. So that's a term there:  
6 Concerns, opportunities for enhancement or mitigation.  
7 You'll hear that a lot.

8                   Also, to identify reasonable or prudent  
9 alternatives to the program -- to the Project. Really, I  
10 think one of the most important things for us is to get  
11 available information. We've been working with the agencies  
12 and others to collect as much information as possible and  
13 then where needed, study -- study plans to fill in some of  
14 those information gaps, and then to identify the final scope  
15 of resources that we would analyze in the EA.

16                   So I'm just going to quickly walk through those  
17 couple chapters of things that we're responsible to look at.  
18 Here's a summary of those areas or issues that we're  
19 responsible to analyze: Cumulative effects; geology and  
20 soils; water resources; aquatic resources; terrestrial  
21 resources; threatened and endangered species, critical  
22 habitat and essential fish habitat; recreation and land use;  
23 cultural and tribal resources; aesthetics; and  
24 socioeconomic.

25                   So for cumulative effects we're responsible for

1 looking at the resources, in general, and really trying to  
2 understand both the spacial or geographic scope of the  
3 Project site, its terrestrial interaction. Obviously, not  
4 just the site in the OCS but the cable path and anything we  
5 have on land, and then the temporal scope so both past,  
6 present, and foreseeable future actions that would be  
7 associated with the Project. And our timeline for this  
8 Project, as Dan mentioned, is 25 years. That's going to be  
9 the license request as well as the lease request and our  
10 anticipated life of the Project.

11           To kind of take a little bit of a deeper dive  
12 into geology and soils, we need to understand the effects of  
13 the Project installation and removal activities on local  
14 geology and soils. We're also responsible to understand  
15 both the presence of hard structures on the seabed and  
16 essentially overall effects of the Project with regards to  
17 sediment transport processes.

18           So again, these are the things that we expect  
19 to be analyzed for both cumulative and site-specific aspects  
20 or at least the sediment -- excuse me. We've got that  
21 asterisk there as areas that we both have to look both at  
22 site-specific and as well as cumulative effects, but that's  
23 essentially how we currently review the geology and soil.  
24 And again, there's much more detail in the Scoping Document  
25 for those that are interested.

1                   Water resources: We need to understand both  
2 the effects of Project operations and the facilities on  
3 total dissolved gases, water temperature, toxic compound  
4 concentrations, pH, et cetera. Again, this is an issue,  
5 too, that we need to look at both site-specific and  
6 cumulative effects. Aquatic growth on the structures on  
7 water quality; effects based on the anchor and the cable  
8 installation which also includes sediment suspension;  
9 effects of antifouling or coatings with regards to water  
10 quality; and any effects of potential accidental spills of  
11 fuels or other fluids associated with the Project site there  
12 on water quality.

13                   Aquatic resources: We need to understand any  
14 changes in the presence of fouling organisms; alterations or  
15 dis- -- distribution or abundance of predators and prey  
16 species. Again, another one of those issues we have to both  
17 understand site-specific and cumulative effect. Effects on  
18 species interactions as a result of the Project, either  
19 being attracted to the Project or avoiding; also, effects of  
20 underwater noise or vibration on marine mammals, seabirds  
21 and other sea life. Again, those asterisks are both  
22 site-specific and cumulative effects.

23                   A few more details on aquatic resources. We  
24 also have to understand risk of collision or entanglement of  
25 the Project structures both to marine mammals and seabirds

1 and other species identified; effects on navigational  
2 lighting for seabirds; Benthic habitat alterations both on  
3 the installation and removal and overall operations of the  
4 Project site; effects of changes in wave energy on both  
5 littoral and shoreline habitat; and effects of EMF or  
6 electromagnetic field emissions on those species that may be  
7 sensitive to EMF.

8                   So for terrestrial resources, we need to  
9 understand if there's any temporary displacement or  
10 disturbance to wildlife or other botanical resources in the  
11 immediate Project vicinity during construction, and we also  
12 need to understand the effects of any alteration or loss of  
13 habitat based on the presence of the Project structures.  
14 And for the terrestrial aspects of the Project structures,  
15 we're looking at a power monitoring and conditioning  
16 facility, a building of some sort, and any additional  
17 interconnection or transmission that we're required and need  
18 for the Project of transmitting the power back to the grid.

19                   Threatened and endangered species: Also,  
20 obviously, required for our analysis. The effects basically  
21 on the Project -- of the Project on any federally listed  
22 species in the Project area. Some of those are included  
23 here; marine mammals, fisheries, birds, and sea turtles.

24                   Critical habitat and essential fish habitat:  
25 We need to understand the effects of construction,

1 operation, and maintenance of the Project on designated  
2 critical habitat, and we also, obviously, need to understand  
3 potential effects of construction, operation, maintenance on  
4 the essential fish habitat.

5           Recreation and land use: Potential effects on  
6 navigation or restrictions to recreational vessels; effects  
7 of wave attenuation or surfing opportunities; and the  
8 effects of recovery and cleanup activities associated with  
9 any potential spills or other emergencies as it relates to  
10 coastal recreation. Again, I'll highlight the two asterisks  
11 there that require us to look both at site-specific and  
12 cumulative effects.

13           Cultural and tribal resources: Effects on the  
14 potential effects of the Project on historic or  
15 archeological, traditional coastal resources located within  
16 the Project area. Also, we're required to look at potential  
17 effects on the Project as it relates to tribal uses and/or  
18 resources located with -- within the Project area.

19           Aesthetic resources: Essentially, any  
20 aesthetic or visual effects or experience from the shore.  
21 We need to understand what those are and what the potential  
22 aesthetic issues may be by having the Project located where  
23 it is.

24           And finally, we're required to analyze any  
25 socioeconomic resources, and this essentially looks at both

1 navigational restrictions on any potential lost gear both  
2 for recreation and commercial crabbing and fishing; any  
3 effects on potential navigation restrictions on marine  
4 transportation there at the Project site or nearby. And,  
5 essentially, we need to understand economics of both the  
6 Project as well as alternatives and the effects on any  
7 recommended environmental measures on the Project's overall  
8 economics.

9                   So just quickly I'd like to touch on the  
10 proposed studies that we have identified in our Scoping  
11 Document 1. Again, these are the proposed studies based on  
12 information as we currently knew it back a month or two ago  
13 when we developed the Scoping Document.

14                   So these are the proposed studies that we have  
15 identified to be included in our scoping process. The first  
16 there is the Sedimentary Habitat & Infaunal Invertebrate.  
17 Really, our objective there is to characterize sediment  
18 characteristics and infaunal species both present and  
19 abundant in and around the Project area really to try and  
20 get a handle both on the spatial and seasonal variability of  
21 those species and the overall abundance.

22                   For crabs, basically, we're trying to determine  
23 if there's any special variability in the habitat  
24 utilization by crabs in the area, and then we use that  
25 information to assess any potential changes associated with

1 the Project.

2                   For seabirds, marine mammals and sea turtles,  
3 our current approach is to characterize again both spatial  
4 and temporal patterns in species composition and abundance  
5 of birds and mammals in the Project area, and then we would  
6 use this data to assess the likelihood of any direct  
7 interactions between these animal groups and the Project.

8                   For acoustic we want to get a handle on ambient  
9 acoustics so existing acoustic signatures of the Project  
10 area, and then we'd use this data to establish kind of the  
11 background acoustic field essentially of which we would then  
12 analyze any additional sound or noise created by the Project  
13 and the evaluation of such comparing those two.

14                   And finally, wave and currents: Essentially,  
15 the idea here is to measure ambient waves and currents in  
16 the Project study area to better characterize existing  
17 physical conditions, and then this data much like the rest  
18 of the information would be to establish both local and  
19 regional clients and -- climate and currents so we can get  
20 an understanding, again, of the resource there that we're  
21 essentially looking to -- to tap to generate power from.

22                   Okay. Back to Jim.

23                   MR. HASTREITER: All right. So we're at the  
24 point in the meeting where we'll take formal comment. I saw  
25 the sign-in sheet and we have lots of shy people in the

1 audience today.

2                   Young man in the corner, you came in a little  
3 late. Did you have an interest in making formal comment at  
4 all?

5                   UNIDENTIFIED SPEAKER: I just got here so I'm  
6 not sure what it's all about.

7                   MR. HASTREITER: Oh, okay. All right. Well,  
8 you can talk to me after the meeting and I can fill you in a  
9 little bit more. We basically went through a description of  
10 the Project and -- and the process we undertake to license a  
11 project.

12                   MR. RUMRILL: Can I just add some comments on  
13 the proposed studies?

14                   THE COURT REPORTER: And I'm sorry. Real  
15 quick: Even though you all gave your names, there's no way  
16 on earth I'm going to remember so please just state your  
17 name before you speak so I can get it right.

18                   MR. RUMRILL: Steve Rumrill.

19                   THE COURT REPORTER: That's fine.

20                   MR. RUMRILL: Regarding the proposed studies on  
21 sediment habitats and infaunal invertebrates, I'd like to  
22 also ask if it's possible to add a consideration of the  
23 epifaunal invertebrates. There's a considerably important  
24 ecological community on top of the sediments as well that  
25 doesn't seem to be captured in this. Those would include

1 our sea stars, soft corals, sponges, brittle stars. It may  
2 just have been an oversight, but that piece should be in  
3 there.

4                   The second comment is regarding the crabs. I'm  
5 happy to see the crab studies here, but we'd also like to  
6 suggest that you add a component to look at the migration of  
7 crabs, behavior of crabs moving into and out of the proposed  
8 study area. Work is going on with acoustic tagging of crabs  
9 on the Oregon Coast. To be able to look at some of these  
10 movements and those migrations in and out of the study area  
11 may be important in addition to the abundance and  
12 distribution that you've proposed.

13                   MR. HASTREITER: Is that it, Steve?

14                   MR. RUMRILL: Yes.

15                   MR. HASTREITER: Thank you very much.

16                   MR. STEIN: My name's Tony Stein with Oregon  
17 Parks. I worked with 3U Technologies in trying to identify  
18 a landing site. And at the time there was three identified,  
19 and I noticed in the Scoping Document -- the PAD -- excuse  
20 me -- that there's now four, and one is -- one that's been  
21 added is the Ona Beach, the lower site, not the ODOT  
22 facility. And we had made comments to -- to 3U Technologies  
23 and I have a copy of the letter I sent to them. I'd like to  
24 submit that.

25                   MR. KLURE: Okay.

1 (Document was marked and submitted as  
2 Exhibit No. 1 by the court reporter.)

3 MR. HASTREITER: Yeah. Thank you. Anybody  
4 else --

5 MR. HOMOLKA: Jim, is there -- Ken Homolka. Is  
6 there an opportunity to ask questions or is this -- on the  
7 formal comment period that we have to ask the questions or  
8 is this after or --

9 MR. HASTREITER: You can ask right now. I  
10 mean, you know, we don't have a lot of commenters so we can  
11 do that right now if you want, Ken.

12 MR. HOMOLKA: On the FERC Notice For Scoping  
13 Meeting and Soliciting Scoping Comments, usually when I've  
14 seen those in the past, it also solicits study requests and  
15 it didn't include it in this case but the Scoping Document  
16 does call for studies.

17 MR. HASTREITER: Right.

18 MR. HOMOLKA: Was that an oversight?

19 MR. HASTREITER: No. Typically, in an ALP,  
20 there's an anticipation that that's going to happen as a  
21 part of the collaborative process. We did include it in the  
22 Scoping Document just to point out to folks that may not be  
23 involved in the stakeholder groups that if they have, you  
24 know, some ideas about studies, we welcome any ideas they  
25 have.

1                   MR. HOMOLKA: And the studies that have been  
2                   scoped out in the group, do they have to be submitted  
3                   formally using the -- the -- meeting each of the  
4                   requirements for a study request that are --

5                   MR. HASTREITER: No. No. That's only a  
6                   requirement in the ILP. I mean -- you know, the discussion  
7                   between Oregon State and FERC was let's use those criteria  
8                   as we move forward in the discussions among the stakeholders  
9                   on studies, use those criteria to establish studies, but as  
10                  far as, you know, a FERC command and control, that doesn't  
11                  happen in the ALP process concerning the studies.

12                  MR. HOMOLKA: So if there's additional studies  
13                  that haven't been scoped out yet that we'd like to get on  
14                  the record, then we have to submit them and using that  
15                  criteria to justify those studies, correct?

16                  MR. HASTREITER: I mean, that's what we're  
17                  asking. You don't have to do that, but that -- we decided  
18                  those criteria are important in trying to decide, you know,  
19                  whether studies are applicable or not. We could always just  
20                  do it in future stakeholder meetings, but if you're more  
21                  comfortable submitting those studies as a part of the  
22                  scoping meeting notice, that's fine, too.

23                  Do you have any preference, Justin?

24                  MR. KLURE: Yeah. Well, I think just to add to  
25                  that, as part of our collaborative work group process of

1 which ODFW and other agencies are a part of, we're working  
2 through those discussions on proposed studies and so our  
3 ultimate goal is to be able to get agreement within that  
4 process around proposed studies. That way we're  
5 understanding what those studies would look like and we  
6 would come to a consensus on what those studies are and that  
7 we don't necessarily then have additional studies that come  
8 in that we're not -- we're not privy to or understand what  
9 they would be as part of a collaborative work group.

10 So the communications protocols and all that  
11 other stuff that Delia's very familiar with kind of lay out  
12 what that process looks like so that we can get to agreement  
13 on what those studies are as we submit our final Scoping  
14 Document.

15 MR. HASTREITER: Does that work for you, Ken?

16 MR. HOMOLKA: Thanks. Thanks for the response.

17 MR. HASTREITER: Okay.

18 MR. HOMOLKA: I'm not ready to say "yes" or  
19 "no" at this point.

20 MR. HASTREITER: Okay. That's fine.

21 MR. HOMOLKA: Thanks for the information.

22 MR. KLURE: You bet.

23 MS. MATTES: Lynn Mattes. I'm asking this  
24 question more personally rather than as an official  
25 department question if that makes sense. I noticed on your

1 proposed list of studies there was nothing involving fish.  
2 You've got the invertebrates and you've got the mammals and the  
3 seabirds but not that in-between. There are some other fish  
4 that live in that area or just above that area. Is there  
5 any consideration for those?

6 MR. KLURE: There's certainly consideration for  
7 those species. The goal of the study plan is to fill in  
8 information gaps of which we don't have information on. So  
9 at the time we submitted the Scoping Document, those were  
10 the gaps that we were able to identify. If throughout this  
11 process there are gaps that are identified of which we were  
12 not aware of of which would require supplementing  
13 information through baseline studies, then those studies  
14 would be proposed as the collaborative process.

15 So I wouldn't say we're -- we're not concerned  
16 or analyzing that particular group of species. It's a  
17 matter of whether or not a baseline study is required for us  
18 to conduct that analysis in the EA.

19 MS. MATTES: The petrale sole is still  
20 technically considered --

21 THE COURT REPORTER: I'm sorry. Is considered  
22 what?

23 MS. MATTES: Petrale sole is considered an  
24 overfished species. It's a different category than ESA.  
25 But I know through the council process, we have to do -- if

1 it impacts petrale sole, we have to take a close look at  
2 that.

3 MR. KLURE: Okay.

4 MR. HASTREITER: And if you have any existing  
5 information on those species, you know, you're part of this  
6 process so we're asking for that information or if you can  
7 just guide to different resources, that -- where that  
8 information may be available, that's usually of great  
9 assistance. I'm assuming ODF&W has a pretty good handle on  
10 fish species, where the fishing grounds are --

11 MS. MATTES: The National Marine Fisheries  
12 Service.

13 MR. HASTREITER: Right. So that would be  
14 helpful.

15 MS. HATFIELD: Kim Hatfield, National Marine  
16 Fisheries Service. I have a couple of comments and  
17 questions. I know we are a part of the collaborative work  
18 group and look forward to continuing the process to work  
19 through the issues that come up.

20 A few things that I just feel it's important to  
21 highlight as far as our concerns in the process;  
22 particularly, mitigation or measures to reduce the -- and  
23 minimize the effects of this Project. One key thing that's  
24 kind of in the document that isn't really highlighted is the  
25 fact that we're all committed to and we expect the

1 development of a robust, adaptive monitoring and responsible  
2 mitigation plan for this Project to move forward. That is  
3 primarily due to the uncertainty associated with the  
4 flexibility that OSU needs in order to have a research  
5 facility so we recognize that that's a need of the  
6 applicant, but that we have the expectation that there would  
7 be significant emphasis placed on that adaptive management  
8 process.

9                   Also, a question or comment on the NEPA  
10 analysis. So far you're proposing a no-action alternative  
11 which is, of course, typical. The proposed action there in  
12 Section 3.3 mentions there may be other alternatives to the  
13 proposed action. I know at this point, because of the fact  
14 that we're still moving forward with developing the actual  
15 applicant's action, that it may not be time for  
16 alternatives, but I'm curious or would look forward to  
17 hearing potential alternatives rather than just having no  
18 action and then action alternative. It seems like we have  
19 some opportunities for, you know, varying the numbers of  
20 devices and in a phased approach or -- you know, I don't  
21 have any specific ideas at this point but those are some  
22 potentials.

23                   I appreciate that you've clarified that the  
24 license term is, you know, proposed at this point to be  
25 25 years. The document kind of just gave the 30 to 50 year

1 range.

2                   And as far as the baseline monitoring, in the  
3 document it refers to the seabirds, marine mammals and the  
4 sea turtles. It infers that if the -- that there will be  
5 enough data available from the baseline studies to, you  
6 know, kind of determine the level of interaction that might  
7 occur. For NMFS' purposes and environmental analysis, we'd  
8 assume presence throughout the range of the species. So we  
9 can't really support discounting the presence of a species  
10 based on that limited information that's available for the  
11 Project site itself. It's important to note that.

12                   And one other question on the study plans and  
13 it's more of a schedule question which I understand we're  
14 working on an aggressive schedule, but it appears that the  
15 study plans wouldn't be approved or finalized until late  
16 September or sometime in September, yet the preliminary  
17 environmental analysis document would come out in the  
18 spring.

19                   NMFS feels that it would be fairly -- it would  
20 have to be very preliminary because the results of the  
21 baseline studies would not really be fully available until  
22 after that environmental preliminary document came out. So  
23 we just wanted to highlight that and question whether or not  
24 that's was the best use of resources to come out with a  
25 preliminary EA when we don't have all the information

1 available for the site yet.

2 I also had a -- just a clarification question  
3 on the section that refers to the resource issues. The --  
4 in the list, the ones that are -- have an asterisk, that  
5 means they are both going to be site-specific and  
6 cumulative?

7 MR. HASTREITER: Correct.

8 MS. HATFIELD: Okay. And the ones without an  
9 asterisk are still anticipated to be addressed in the  
10 Environmental Analysis?

11 MR. HASTREITER: Site-specific, yeah.

12 MS. HATFIELD: Okay. Thank you. I would --  
13 one more thing I would add to that then is that for  
14 cumulative effects, you looked -- we would expect that  
15 cumulative effects would be analyzed for T & E species,  
16 critical habitat, and essential fish habitat. We are  
17 required to analyze those in our consultations. Thank you.

18 MR. HASTREITER: Thank you. So just based on  
19 the schedule, you know, we've put in a very  
20 aggressive schedule.

21 MS. HATFIELD: I fully recognize that.

22 MR. HASTREITER: Right. And so we're going to  
23 have to be light on our feet as we move along, and if  
24 modifications of that schedule are necessary based on, you  
25 know, what you pointed out, that will happen. Yeah.

1                   MR. KLARIN: Paul Klarin. When you talk about  
2 cumulative effects -- and I think you mentioned this  
3 before -- is it -- what's the let's say geographical scope  
4 of the footprint that you'd consider for cumulative effects  
5 and what other things in the area would be part of that  
6 analysis?

7                   MR. HASTREITER: Well, in -- I -- we're not set  
8 to establish that exact scope yet. That's why we're here to  
9 get ideas from folks.

10                  MR. KLARIN: So in consideration for things  
11 like fishing, you'd be looking to the effect this would add  
12 to the effect on fishing from things like marine reserves in  
13 the area?

14                  MR. HASTREITER: Right.

15                  MR. KLARIN: Okay.

16                  MS. KELLY: Delia Kelly. We have a particular  
17 interest at ODFW in the cable route. The specific preferred  
18 route hasn't been identified yet. Can you tell me when you  
19 anticipate that it would be identified? Selected?

20                  MR. KLURE: So we're completing the analysis of  
21 the three alternatives at this point. I think our hope is  
22 within the next couple months to have that analysis complete  
23 and have a preferred path identified and a potential  
24 alternative path identified.

25                  MS. KELLY: Okay. Thank you.

1                   MR. STEIN: I'd like to ask a question about  
2 this document, the --

3                   MR. HASTREITER: We need your name again,  
4 please.

5                   MR. STEIN: Tony Stein. It's a little bit  
6 different than the PAD of April 15th which showed --  
7 actually shows four landing sites.

8                   MR. KLURE: Right.

9                   MR. STEIN: You just mentioned three.

10                  MR. KLURE: Three cable paths, four potential  
11 landing sites. That Ona Beach site there in the middle of  
12 the ODOT sites actually have two potential landing sites --

13                  MR. STEIN: Okay.

14                  MR. KLURE: -- that follow that same path.

15                  MR. STEIN: So you're counting that as one  
16 site?

17                  MR. KLURE: Yeah. For what I just said, yeah.

18                  MR. STEIN: Okay. Thank you.

19                  MR. HOMOLKA: Ken Homolka. In the Scoping  
20 Document it talks about the length of the FERC license. It  
21 mentioned 30 to 50 years and I know an initial license can  
22 be up to 50 years and anything less than, and you've  
23 mentioned you're proposing 25?

24                  MR. KLURE: That's correct.

25                  MR. HOMOLKA: So it probably should be maybe

1 corrected in the Scoping Document.

2 MR. KLURE: Mm-hmm.

3 MR. HOMOLKA: But also I'm thinking about the  
4 temporal scope and oftentimes FERC reserves the decision on  
5 the term of the license to themselves. So to me, that may  
6 open the door for some uncertainty what it may actually end  
7 up being and how we can kind of define what the temporal  
8 scope should be with that uncertainty.

9 MR. KLURE: Okay.

10 MR. HASTREITER: There's always uncertainty  
11 with the term of the license.

12 MR. HOMOLKA: And I guess that would -- you  
13 wouldn't be anticipating a re-license? This would be at  
14 that point, you're planning 25 years, it would be like a  
15 decommission proposal?

16 MR. KLURE: That is correct. At this stage  
17 we're looking at a 25 year project license.

18 MR. HELLIN: And that's largely limited by the  
19 expected lifespan of the cables themselves. They don't tend  
20 to work very well after that time.

21 MR. HOMOLKA: Okay.

22 MR. HASTREITER: Anybody else want to ask a  
23 question or make a comment?

24 (No response.)

25 MR. HASTREITER: Well, that turned out better

1 than I thought. I thought we were going to come away empty  
2 handed so I appreciate everybody thinking about it and  
3 giving us some thoughtful comments. It's much appreciated.  
4 So let's move on then from the formal comment period.

5           So as a reminder, August 4th is the due date  
6 for filing comments on the PAD, comments on the Scoping  
7 Document, comments on study requests, and for providing any  
8 information that we may not have to assist us in our  
9 Environmental Analysis. So August 4th is a very important  
10 date.

11           Another important date is July 28th. In our  
12 initial notice, we requested cooperating agency status and  
13 July 28th that is due. We have received one request for a  
14 cooperating agency from the Corps of Engineers last Friday.  
15 We anticipate we will get one from BOEM.

16           Then let me just move through a few  
17 administrative items quickly. On Page 32 of the Scoping  
18 Document, there's a list of comprehensive plans. If you  
19 know of other comprehensive plans that you want the  
20 Commission and Oregon State to consider as part of the  
21 PMEC-SETS Project licensing in our analysis, please file it  
22 with the Commission.

23           There's also a mailing list in the Scoping  
24 Document beginning on Page 36. And for any changes to that  
25 mailing list, either additions or completion -- additions or

1 deletions, please follow the directions in the Scoping  
2 Document on Page 27.

3                   So how to file: Most of you have done this  
4 before, but you have to clearly indicate on the cover sheet  
5 the correspondence -- correspondence relates to the Pacific  
6 Marine Energy Center South Energy Test Site Project as well  
7 as the Docket Number P-14616.000. And we -- you can file  
8 those items that you intend on filing with FERC either  
9 electronically or by hard copy providing five copies and the  
10 original to the FERC secretary at that address.

11                   I just wanted to point out some of the on-line  
12 resources now that we're in the digital age. OSU-NNMREC  
13 have two sites on the Project. It has a lot of information.  
14 I'm not sure what the difference between the two sites are.  
15 Did you want to talk about that, Dan, or --

16                   MR. HELLIN: Which two?

17                   MR. KLURE: P MEC and NNMREC.

18                   MR. HASTREITER: Yeah.

19                   MR. HELLIN: Yeah. The P MEC.us is really a  
20 site dedicated to the Project itself, is aimed at providing  
21 as much as information as possible to the public. It also  
22 has links to all the documents that have been filed so  
23 people don't have to go to different agencies and try and  
24 find everything. It's all centralized there.

25                   It also has a table showing the whole process

1 and where we are and also lists out upcoming meetings, when  
2 there's going to be public comment periods, and there's also  
3 a sign-up for a mailing list which most of you wouldn't need  
4 to do, but -- so if people wanted to keep informed. So  
5 it's really a way for us to provide information to the  
6 public in the easiest way possible.

7                   And the NNMREC site is basically just the site  
8 for NNMREC itself.

9                   MR. HASTREITER: All right. Thank you. And  
10 then at the front desk here, we made a brochure available  
11 that describes the Commission's on-line system, and we  
12 encourage anyone that's involved in FERC licensing to use  
13 the on-line system rather than using snail mail. There's a  
14 lot of information available at FERC's website as some of  
15 you may know, FERC.gov.

16                   I just wanted to mention two items that again  
17 is in this document. One is e-library. You can go to  
18 FERC.gov and click on e-library and put in -- there's a  
19 space for a docket number. In this case it's P-14616. You  
20 have to put that in there, and there's a date range you can  
21 fill in, and you can see any document that was either filed  
22 to FERC or that FERC issued on the P MEC Project.

23                   The other item that is beneficial is  
24 e-subscription. It's a one-time you sign up and you give  
25 your e-mail address and any time a document is either filed

1 or issued by FERC on the PMEC Project, you will get a e-mail  
2 alerting you to that filing or issuance. And it'll have a  
3 link that you just click on that link and it'll go right to  
4 the document.

5                   So we're trying to make the FERC on-line system  
6 a little less painful by going that route, and most people  
7 seem to -- I mean, they're a little bit intimidated because  
8 they don't want to sign up but it's pretty simple. It's  
9 much easier than when you try to sign up for many other  
10 things on the Internet. So just those sorts of things.

11                   So I guess I'll just -- if anybody else had any  
12 other questions, we'll give you one more opportunity if you  
13 thought of anything.

14   (No response.)

15                   MR. HASTREITER: And if not, I guess we'll end  
16 the scoping meeting. Thanks for coming. I really  
17 appreciate your time.

18

19   (Meeting concluded at 2:05 p.m.)

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